



## Teacher Retirement System of Texas

- Withdrawn Service Credit
- Unreported Service and/or Compensation Credit, including Workers' Compensation
- Substitute Service Credit
- Out-of-State Service Credit
- Developmental Leave Service Credit
- Military Service Credit
- USERRA Service Credit
- State Sick and or Personal Leave Service Credit
- Work Experience by a Career or Technology Teacher Service Credit
- Membership Waiting Period Service Credit



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*TRS service credit is governed by state law and TRS Board of Trustees rules. If any information in this brochure is inconsistent with laws and rules in effect at the time of purchase or at the time the service credit is to be used to determine eligibility for, or calculation of, a TRS benefit, the applicable laws and rules control.*

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## Establishing TRS Service Credit

The Teacher Retirement System of Texas (TRS) administers a retirement plan for eligible Texas public education employees. The plan provides service and disability retirement benefits to its eligible members, as well as death and survivor benefits.

TRS service credit is an important part of determining eligibility for TRS benefits.

Service credit may also affect the amount of a service or disability retirement benefit you may receive when you retire. For an active member, service credit can affect death and survivor benefits to your beneficiary in the event of your death and the amount of that benefit. This brochure is written to assist TRS members in establishing service credit for which they are eligible.

You can build service credit in two ways:

- Earn membership service credit through employment in Texas public education (see the *TRS Benefits Handbook* available on the TRS website, which is located at [www.trs.texas.gov](http://www.trs.texas.gov), and
- Purchase service credit when eligible to do so.

This brochure provides a detailed explanation of the types of service credit available for purchase, the eligibility requirements for each service credit type, verification of service requirements, and cost calculations.

Because the amount of most TRS retirement benefits increase with more years of service credit, you should carefully consider purchasing service credit when you are first eligible to do so.

The cost to purchase service credit generally increases over time. Purchases must be completed before retirement, including disability retirement.

Service credit that you may be eligible to purchase cannot be used to calculate active member death benefits or to determine eligibility for certain forms of death benefit payments unless you purchase the service credit before your death. Your beneficiary, however, may complete payment for service credit that you have already begun to purchase on an installment basis prior to your death, by paying the balance due in a lump sum, unless other restrictions apply.

Federal tax law limits the amount of money you may voluntarily pay to TRS in a school year for some types of purchased service credit. You may avoid these limits by using a rollover from another eligible retirement plan or a direct trustee-to-trustee transfer from a governmental 403(b) plan or a governmental 457(b) deferred compensation plan for the purchase. See “Restrictions on Service Credit Purchase” later in this brochure. The restriction also may affect a beneficiary who wishes to complete payments that you may have begun under an installment agreement.

For all of these reasons, you should contact TRS as soon as possible after meeting the eligibility requirements for purchasing service credit to obtain a cost statement for the service credit and to begin the purchase.

★ Throughout this brochure, you will find a star-shaped icon denoting information that has been changed due to legislative action in 2015, or by changes to the rules of the TRS Board of

Trustees through December 2015. Please pay careful attention to changes that may affect you.

## Earning Membership Service Credit

Membership service credit is earned in one-year increments. Only one year of service may be credited in any one school year. A year of service credit cannot include more than 12 months. For years prior to the 2012-13 school year, a school year starts on Sept. 1 and ends Aug. 31, or it starts on the date of your employment under a contract or oral or written work agreement that begins on or after July 1 and ends no later than twelve months later. Starting with the 2012-13 school year, all TRS members receive service credit based on a standardized school year that begins Sept. 1 and ends Aug. 31. The standardized school year may not be the same as the instructional year of your employer or your contract year.

To earn a year of membership service credit, you must work in a TRS-eligible position or receive paid leave from a TRS-eligible position for at least 90 days during the school year.

★ Effective Sept. 1, 2015, members who are regularly scheduled to work fewer than five days per week may earn a year of service credit by working four and one-half months; however, the member must serve at least four full calendar months during which the member works or receives paid leave for at least eight days each month and the member must also work or receive paid leave for an additional five days that cannot be included in the four full calendar months. Please refer to the *TRS Benefits Handbook* for information regarding membership

eligibility for the year in question.

★ A TRS member may not receive a year of service credit before Dec. 31, except in the year of retirement, when a member may earn a year of service credit by working or receiving paid leave for each day of the full fall semester, even if that semester is less than 90 days.

Service as a substitute is not eligible for membership in TRS, but work as a substitute for a minimum of 90 days in a school year may be purchased as service credit if verified within the required deadline. Refer to the section on “Establishing Unreported Service Credit, Unreported Compensation Credit, Substitute Service Credit, and Workers’ Compensation” in this brochure for more information.

## Service and/or Compensation Not Credited on Your Annual Statement of Member Account

In 2011, the Texas Legislature established a five-year deadline for you to identify any errors in service and/or compensation credit that may occur on your Annual Statement of Member Account (“annual statement”). Members must

★ promptly notify TRS in writing if eligible membership service credit and/or compensation credit is not shown on the member’s annual statement. If you find an error on your annual statement regarding service and/or compensation credit for the most recent school year reflected on your annual statement and your employer did not report the service and/or compensation due to a technological error, you may be able to correct the error at no additional cost to you other than the required member contributions and receive credit for the service and/or compensation without having to pur-



chase it at actuarial cost. However, you must notify your employer and TRS immediately in writing upon noticing the error on the annual statement but no later than May 31 of the year following the year the service was rendered and/or the compensation was paid. If you are still employed by the same employer and are still due compensation from your employer, the error can be corrected without paying the actuarial cost for the additional benefits associated with the additional service and/or compensation.

If the error on your annual statement regards service rendered and/or compensation paid from earlier years or you cannot correct the error from the immediately preceding school year without paying actuarial cost and you want to receive TRS credit for the service and/or compensation, you must notify TRS within five years of the end of the school year in which the service was rendered and/or the compensation was paid, and provide verification of the service and/or compensation in a “Verification of Service and Salary” form (TRS 221), which is available on the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)).

★ If the error on your annual statement regards service rendered and/or compensation paid before Sept. 1, 2011, you must notify TRS in writing and verify the service and/or compensation by Aug. 31, 2016. You must verify service that has not been reported and/or service that was reported but was not counted by TRS in school years prior to 2011-12 on a “Verification of Service and Salary” form (TRS 221) no later than Aug. 31, 2016, as described in the section of this brochure titled “Establishing Unreported Service, Unreported Compensation Credit,

Substitute Service, and Workers’ Compensation.”

Once the service or compensation is verified within the required deadline, TRS will notify you if contributions are due to establish credit for service and/or compensation not credited on your annual statement. For cost information, refer to the section on page 6 titled “Establishing Unreported Service, Unreported Compensation Credit, Substitute Service Credit, and Workers’ Compensation.” While verification must be received within the five year deadline described above, you are not required to purchase the credit immediately upon verification. Verified service and/or compensation credit may be purchased at any time before benefits become payable. However, if not paid prior to your retirement or death, the service and/or compensation credit cannot be used in the calculation of benefits or to determine eligibility for benefits.

## Workers’ Compensation

★ If you receive workers’ compensation payments as temporary wage replacement pay, you may be eligible to purchase TRS service and/or compensation credit. If the workers’ compensation payments is verified no later than the end of the school year following the school year in which the workers’ compensation is paid, the cost to purchase the service and/or compensation credit is the amount of the member contributions on the workers’ compensation paid. The contributions must be paid in a lump sum no later than the end of the school year following the school year in which the workers’ compensation is paid. If a lump sum is not received by the end of the school

year following the school year in which the workers' compensation was paid, the cost of the service and/or compensation will increase to the actuarial cost.

If workers' compensation is not verified and the amount of member contributions are not paid by the end of the school year following the school year in which the workers' compensation is paid, the cost of the service and/or compensation is the actuarial cost.

## Purchasing TRS Service Credit

In addition to earning membership service credit for employment with a TRS-covered employer, eligible TRS members may purchase the following:

- withdrawn service credit
- unreported service and/or compensation credit, including workers' compensation
- substitute service credit
- out-of-state service credit
- developmental leave service credit
- military service credit
- Uniformed Services Employment & Re-employment Rights Act (USERRA) service credit
- state sick and/or personal leave service credit
- work experience by a career or technology teacher service credit
- membership waiting period service credit

To use purchased service credit in determining your eligibility for or calculating service retirement benefits, you must complete the purchase by your effective date of retirement

or by the last day of the month in which you submit a retirement application, whichever is later. If the service credit must be purchased in order to establish your eligibility to retire, the purchase must be completed by your effective date of retirement.

To use purchased service credit in the calculation of a disability retirement benefit, you must complete the purchase by your effective date of retirement, by the last day of the month in which you submit a retirement application, or within 30 days of TRS correspondence notifying you that your disability retirement has been certified, whichever is later.

## Reinstating Withdrawn Service Credit

If you withdrew your accumulated contributions in your TRS member account by taking a refund, you canceled the TRS service credit associated with those contributions and terminated your TRS membership. You may be eligible to reinstate withdrawn service credit as described below.

**Eligibility:** To reinstate withdrawn service credit, generally you must resume membership in TRS and pay all costs for the withdrawn service credit to TRS. However, once you resume membership, you are not required to be currently contributing to TRS to be eligible to reinstate withdrawn service – you simply must have an active account and account balance with TRS. For those who are not TRS members, the opportunity to reinstate withdrawn service credit is available only through the Proportionate Retirement Program, described in the *TRS Benefits Handbook*, or the TRS/ERS transfer program, described in both the handbook and

the *TRS/ERS Transfer* brochure. Both of these publications are available on the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)).

Even if you meet the eligibility requirements for reinstatement of withdrawn service credit, not all withdrawn service credit is eligible for reinstatement. For example, service credit that was established prior to 1978 through student employment cannot be reinstated if it was canceled through withdrawal of contributions. Also, a person who is contributing to the Optional Retirement Program (ORP) is not eligible to reinstate TRS service credit canceled through withdrawal of TRS contributions unless the person terminates employment covered by ORP and becomes employed only in the public school system (elementary or secondary education).

Laws governing the reinstatement of withdrawn service credit are changed from time to time. If you are interested in reinstatement of service credit canceled by withdrawal of your TRS contributions but you are not eligible under current law, you should monitor new laws as they are enacted to determine whether restrictions may have changed.

**Cost:** The cost of reinstating eligible service credit consists of the eligible amount of your withdrawn contributions and interest plus a reinstatement fee of 8 percent, compounded annually, of the eligible amount from the date of the withdrawal to the date of redeposit. The cost assumes a lump-sum deposit; if deposits are made through installment payments, the cost will be adjusted to reflect the installment payment administrative fee. If more than one member account was withdrawn and service

credit canceled, all eligible service credit must be reinstated. A withdrawn account that represents less than a creditable year of service must be reinstated only if the combination of canceled service credit with other eligible service credit in the same year results in a creditable year.

**When to purchase:** Withdrawn service credit may be reinstated as soon as you become eligible to do so and must be reinstated before the effective date of retirement in order to be included in the calculation of retirement benefits. Because the cost increases over time, you may wish to purchase this service credit as soon as possible.

**What to do:** Contact TRS to obtain a cost statement for withdrawn service credit. If you are a TRS member, you may request a cost statement through the *MyTRS* section of the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)). Members of other Texas public retirement systems participating in the Proportionate Retirement Program, including ERS, must submit a written request to TRS for reinstatement of TRS service credit and may be required to provide a certification from the other retirement system to verify membership in that retirement system.

**Special note:** If you are also a member of another Texas public retirement system, you may be eligible to count TRS service credit toward eligibility requirements to receive benefits from the other retirement system. Additionally, established TRS service credit may make you eligible to reinstate service credit withdrawn from another Texas public retirement system.

For more information on the Proportionate Retirement Program, please refer to the *TRS*



*Benefits Handbook* or contact the other Texas public retirement system in which you maintain service credit. If you have credit in more than one system, you should ask each system about your eligibility for benefits under the Proportionate Retirement Program before terminating participation in any of the systems.

## Establishing Unreported Service Credit, Unreported Compensation Credit, Substitute Service Credit, and Workers' Compensation

**Eligibility, verification requirements and deadline for verification:** Unreported service is eligible service that should have been reported to TRS but was not reported at the time the service was rendered. This includes service that would not be eligible if considered alone but that, when combined with other service performed for another TRS-covered employer during the same school year, becomes eligible employment. Unreported compensation is eligible compensation paid to you that should have been reported but was not reported to TRS during the school year in which it was paid. For example, if you are employed in a TRS-covered position resulting in a creditable year of service and you also perform service for another TRS-covered employer in the same school year, contributions should be made on all compensation received from all TRS-covered employers. If you have eligible unreported service and/or compensation, to obtain credit, you first must have the employer verify the service or compensation on a "Verification of Service and Salary" form (TRS 22I), which is available in the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)).

If you serve as a substitute in a position

otherwise eligible for membership in TRS, you may purchase a year of service credit when you have rendered at least 90 days of substitute service in one school year. A substitute is a person who serves on a temporary basis in place of a current employee. A substitute may be paid no more than the daily substitute rate of pay set by the employer. If you have eligible substitute service, it must be verified by your employer on a "Verification of Substitute Service and Salary" form (TRS 22S), which is also available on the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)).

If you receive workers' compensation payments as temporary wage replacement pay, you may be eligible to purchase TRS service and/or compensation credit. Workers' compensation payments must be verified by your employer on a "Verification of Workers' Compensation Payments" form (TRS 22W) available on the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)).

Upon receipt of verification, TRS will determine if your unreported service and/or unreported compensation, substitute service, or workers' compensation payments is eligible for use in determining benefits and whether contributions are due in order to establish service and/or compensation credit.

Any unreported service and/or substitute service that was rendered, and/or unreported compensation that was paid, before Sept. 1, 2011, must be verified no later than Aug. 31, 2016.

Unreported service and/or substitute service rendered, and/or unreported compensation paid, on or after Sept. 1, 2011, must be verified within five years after the end of the school year in which the unreported service and/or

substitute service was rendered and/or the compensation was paid.

Both service and/or compensation relating to workers' compensation payments received as temporary wage replacement pay must be verified by the deadlines described on page 6.

Unreported service, unreported compensation, substitute service, or workers' compensation that is not verified by the applicable deadline will not be eligible for purchase and cannot be used to determine eligibility for, or the amount of, any TRS benefits.

Employees who were subject to a membership waiting period between Sept. 1, 2003, and Aug. 31, 2005, may not purchase the waiting period service as unreported service credit. Service rendered during a waiting period does not qualify as unreported service. See "Membership Waiting Period Service Credit" for more information on establishing service credit for a school year that included a waiting period.

**Cost:** The cost for unreported service credit, unreported compensation credit, and substitute service credit is the actuarial present value, at the time of deposit, of the additional standard annuity retirement benefits that are attributable to the increased service credit and/or compensation credit, based on actuarial tables adopted by the board of trustees. Generally, actuarial present value means that you will make payment sufficient to fund the cost to TRS of the increased benefits you will receive as a result of purchasing the additional service and/or compensation credit. In addition, a member is required to pay the employee contribution to TRS-Care, unless the member is entitled to health care coverage through the

Employees Retirement System of Texas (ERS) or the University of Texas (UT) or Texas A&M University (TAMU) systems.

★ Effective Sept. 1, 2015, the actuarial cost is based on: (i) your age and years of TRS service credit on Sept. 1 of the school year in which the cost is established; (ii) the annual salary for your last year of credited service or the average of your highest years of compensation calculated on Sept. 1 of the school year in which the cost of the service credit is established, depending on your retirement eligibility; and (iii) the cost factor based on your tier placement. The actuarial cost factors assume a lump-sum deposit; if deposits are made through installment payments, the cost will be adjusted to reflect the installment payment administrative fee.

★ Important May 31 deadline: If the unreported service and/or unreported compensation relates to the current school year or the most recent school year reflected on your annual statement and your employer did not report the service and/or compensation due to a technological error, you may be able to correct the error and receive credit at no additional cost to you other than the required member contributions. However, you must notify your employer and TRS in writing immediately upon noticing the error but no later than May 31 of the year following the year the service was rendered and/or the compensation was paid so that the error can be corrected in this manner:

- (i) you must still be employed by the same employer and additional compensation for the current school year remains due to you;
- (ii) your employer requests a waiver of the reporting requirements due to the techno-

logical error and TRS grants the waiver;

(iii) your employer submits member contributions on the unreported amounts from any remaining compensation due to you and the employer submits any employer contributions due on the compensation paid by your employer to you;

(iv) your employer pays the penalty interest due and corrects the records for the report months in which the compensation was paid; and

(v) the error is corrected by the end of the school year following the school year in which the unreported service was rendered and/or the unreported compensation was paid.

**Note:** Substitute service is not unreported service and may not be established in this manner.

★ The cost to purchase service and/or compensation credit for workers' compensation payments that is verified no later than the end of the school year following the school year in which the workers' compensation is paid is the amount of the member contributions on the workers' compensation paid. The contributions must be paid in a lump sum no later than the end of the school year following the school year in which the workers' compensation is paid. If a lump sum payment is not received by the end of the school year following the school year in which the workers' compensation was paid, the cost of the service and/or compensation credit will increase to the actuarial cost.

★ If the workers' compensation is not verified and member contributions are not paid by the end of the school year following the school year in which the workers' compensation is

paid, the cost to purchase service and/or compensation credit for the workers' compensation payments is the actuarial cost.

**When to purchase:** Unreported service credit, unreported compensation credit, substitute service credit, and workers' compensation should be purchased as soon as possible after the service occurs. The cost to purchase this credit increases each year you delay the purchase.

**What to do:** Have your employer verify your unreported service, unreported compensation, substitute service, or workers' compensation. Verification must be made on the forms described on page 6 and submitted by the applicable deadline described above. Submit the completed forms to TRS. TRS will determine whether the service and/or compensation is eligible for credit and if so, will send you a cost statement. You must then submit all required amounts in order to establish the service and/or compensation credit.

Unreported service, unreported compensation credit, substitute service credit, and workers' compensation may be established in one-year increments. The service and/or compensation is credited upon receipt of sufficient deposits to purchase a full year of credit. The cost will continue to increase on service or compensation that is not purchased.

The purchase of this service credit and/or compensation credit is subject to the federal tax code restriction on the amount of money that may be voluntarily paid to TRS during a plan year. TRS encourages members to review "Restrictions on Service Credit Purchase" later in this brochure and carefully plan your purchases.

## Out-of-State Service Credit

If you have eligible out-of-state service in a public school system or college and you also have five years of TRS membership service credit, you may be eligible to purchase out-of-state service credit. TRS has no agreement with retirement systems in other states for transferring service.

**Eligibility:** If you have at least five years of TRS membership service credit for actual service with a TRS-covered employer, you may purchase one year of eligible out-of-state service credit for each year of service credit with a TRS-covered employer, up to a maximum of 15 years.

★ A maximum of 15 years of out-of-state service credit may be purchased as long as the eligible out-of-state service is not currently maintained in another public retirement system. Service credit is maintained in another public retirement system if the member has contributions in the other public retirement system relating to the service credit the member wishes to purchase. If a member's out-of-state service credit is maintained in another public retirement system, the service is considered nonqualified service credit under federal tax law. A member is permitted to purchase up to a total of five years of nonqualified service credit.

You must also have at least one year of TRS service credit following the out-of-state service to be eligible to purchase this service credit.

Eligible out-of-state service includes the following:

- service in public educational institutions that are maintained in whole or in part

by one of the states of the United States;

- service in public educational institutions maintained in whole or in part by a commonwealth territory or possession of the United States;
- service in public educational institutions maintained in whole or in part by the United States government. Public educational institutions of the United States government must have been maintained for the primary purpose of educating the children of United States citizens either in foreign countries or in locations within the United States where state or local governments have not provided for public educational facilities;
- service with a Department of Defense Dependents School (DODDS); and
- service in a school outside the U.S. receiving funds under 22 U.S.C. Section 2701.

The out-of-state service must satisfy the same requirements for membership and service credit that would have applied if the service had been performed for a Texas public education institution. For example, the out-of-state service qualifies if it was in a position on a full-time basis (one-half time or more) and for the required length of time (currently, at least 90 days of service in one school year). Out-of-state service is evaluated for credit based on a Sept. 1 through Aug. 31 school year.

Out-of-state service credit may be combined with eligible TRS-covered employment in the same school year to receive a year of TRS service credit. You may not establish out-of-state service credit for a year in which you are eligible to establish, or you have established, other



TRS service credit. Also, you may not establish TRS service credit for out-of-state service performed for a public school if the service was performed while you were a member of the armed forces and you were compensated for the service by the United States.

**Cost:** The cost for all out-of-state service credit is the actuarial present value, at the time of deposit, of the additional standard annuity retirement benefits that are attributable to the increased TRS service credit, based on actuarial tables adopted by the board of trustees.

★ Effective Sept. 1, 2015, the actuarial cost is based on: (i) your age and years of TRS service credit on Sept. 1 of the school year in which the cost is established; (ii) the annual salary for your last year of credited service or the average of your highest years of compensation calculated on Sept. 1 of the school year in which the cost of the service credit is established, depending on your retirement eligibility; and (iii) the cost factor based on your tier placement. The actuarial cost factors assume a lump-sum deposit; if deposits are made through installment payments, the cost will be adjusted to reflect the installment payment administrative fee.

**When to purchase:** Because the cost increases over time, a member may wish to purchase service credit for each eligible year of out-of-state service as soon as possible.

**What to do:** When you submit records to show that the service is eligible, TRS will prepare a cost statement for out-of-state service credit.

To establish that the service is eligible, submit a copy of your Texas Teacher Service

Record that reflects your out-of-state service. If the service record is not available, TRS will accept a “Verification of Out-of-State Service” form (TRS 224) that is completed by your **out-of-state employer** and verifies the eligible employment. This form is available on the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)). Service with a school outside the U.S., other than a DODDS, must be verified by a Texas Teacher Service Record or form TRS 224, accompanied by a written statement from the current administrator of the overseas or foreign school or from an official of the U.S. State Department in addition to the service record. The written statement must specify that the school received funds under 22 U.S.C. Section 2701 during the years in which the member was employed at the school. **You** must also complete the member certification portion of the form TRS 224 and certify whether or not your out-of-state service is currently maintained in another public retirement system. You must then submit all required amounts in order to establish the service credit.

Out-of-state service credit may be established one year at a time and each year is credited upon receipt of sufficient deposits to purchase a full year of service credit. Salary earned while performing out-of-state service cannot be used in the salary average used to determine TRS benefits.

The purchase of this service credit is subject to the federal tax code restriction on the amount of money that may be voluntarily paid to TRS during a plan year. TRS encourages members to review “Restrictions on Service Credit Purchase” later in this brochure and carefully plan your purchases.



## Developmental Leave Service Credit

Developmental leave is unpaid leave from employment with your TRS-covered employer that is approved in advance **by your employer** for study, research, travel, or another purpose designed to improve your professional competence. You may purchase a maximum of two years of developmental leave service credit.

**Eligibility:** You must have at least five years of service credited in TRS before the developmental leave occurs. **Developmental leave must be approved in advance by your TRS-covered employer who must certify in advance on a “Notice of Intent to Take Developmental Leave” form (TRS 215), available on the TRS website (www.trs.texas.gov), that the leave meets the employer’s requirements for developmental leave. On or before the date the leave is to begin, you must file the completed form TRS 215 with TRS.**

At the time the cost of the service credit is paid, you must have at least five years of TRS service credit, with at least one year of membership service credit in TRS following the developmental leave.

Developmental leave is evaluated for credit based on a Sept. 1 through Aug. 31 school year.

**Cost:** The cost of developmental leave service credit is the actuarial present value, at the time of deposit, of the additional standard annuity retirement benefits that would be attributable to the additional year(s) of service credit, based on actuarial tables adopted by the board of trustees.

★ Effective Sept. 1, 2015, the actuarial cost is

based on: (i) your age and years of TRS service credit on Sept. 1 of the school year in which the cost is established; (ii) the annual salary for your last year of credited service or the average of your highest years of compensation calculated on Sept. 1 of the school year in which the cost of the service credit is established, depending on your retirement eligibility; and (iii) the cost factor based on your tier placement. The actuarial cost factors assume a lump-sum deposit; if deposits are made through installment payments, the cost will be adjusted to reflect the installment payment administrative fee.

**When to purchase:** You may purchase developmental leave service credit at any time before retirement.

**What to do:** To establish developmental leave service credit, your leave must be certified by your employer on form TRS 215. The completed form TRS 215 must be received at TRS no later than the date the leave begins. **Upon completion of the leave and return to TRS-covered employment, you must contact TRS for a cost statement.** You must then submit all required amounts in order to establish the service credit. If you are eligible to purchase two years of developmental leave credit, you may purchase credit one year at a time. You may also choose to purchase only one year. Developmental leave service credit may be established one year at a time and each year is credited upon receipt of sufficient deposits to purchase a full year of service credit.

The purchase of this service credit is subject to the federal tax code restriction on the amount of money that may be voluntarily paid

to TRS during a plan year. TRS encourages members to review “Restrictions on Service Credit Purchase” later in this brochure and carefully plan your purchases.

## Military Service Credit

If you served on active military duty in the United States armed forces and are a TRS member with at least five years of TRS service credit, you may be eligible to purchase up to five years of military service credit.

**Eligibility:** A TRS member with at least five years of TRS membership service credit for actual service with a TRS-covered employer may purchase up to five years of service credit for **active duty** federal military service in the U.S. armed forces. Both voluntary and draft service is eligible. Service as a reservist or member of the National Guard by a TRS member who was ordered to active duty under the authority of federal law is also considered eligible military service. Military service terminated by a sentence of court-martial is not eligible for purchase.

★ Military service credit may be established in one-year increments. Eligible active military duty must be for an equivalent amount of active military service as a TRS member must work or be on paid leave in order to receive a year of service credit during a school year. Military service is evaluated for credit based on a Sept. 1 through Aug. 31 school year. Credit for military service may not be given for any year in which service credit is already established.

If you have active membership in more than one Texas public retirement system, you may not purchase or establish military service credit for the same military service with more than

one retirement system. If you are a member of both TRS and the Employees Retirement System of Texas and you elect to transfer all of your service credit to one system at retirement, you may not receive credit for more than five years of purchased military service credit. The transferring system will refund the purchase cost of any years of military service credit in excess of the five permitted, if applicable.

**Cost:** If the military service was rendered during a time when you were a member of TRS, the cost per year to purchase military service credit is an amount equal to the contributions that you would have paid on your full annual compensation rate for the last year of membership service preceding the school year of military duty. If your membership in TRS was established after your military service was rendered, the cost is an amount equal to the member contributions required on your full annual compensation rate for the first creditable year of membership service occurring after your military service was rendered.

Compensation for substitute service may not be used to calculate the cost. If you are eligible to purchase more than one year of military service credit but wish to buy one year at a time, you must purchase the service credit in the order in which the military service was rendered and appears on the cost statement prepared by TRS.

If you do not purchase all eligible military service credit as soon as you are eligible to do so, an additional fee is charged for the service credit. The additional fee is 8 percent of the required deposits, compounded annually from the end of the year in which you were first eligible to purchase the military service credit

until payment for the service credit is received by TRS. The date of eligibility to purchase the military service credit is the latest of the following:

- The date you accrue five years of membership service credit for actual service with a TRS-covered employer;
- The date the military service credit was available by TRS law; or
- The date you completed the military service used to establish the military service credit.

The cost assumes a lump-sum deposit; if deposits are made through installment payments, the cost will be adjusted to reflect the installment payment administrative fee.

**When to purchase:** You may purchase military service credit when first eligible to do so. Because the cost of this service credit increases over time, you may wish to purchase this service credit as soon as possible.

**What to do:** Contact TRS in writing to request a cost statement for military service credit. Your request must include a copy of your military service record (for example, a DD 214) showing the entry and separation dates for all periods of active duty military service, the type of military service, and the nature of your discharge from active duty. TRS may request other documentation as needed to determine eligibility. Once eligibility is determined, TRS will send you a cost statement.

You may purchase military service credit one year at a time. The service is credited upon receipt of sufficient deposits to purchase a full year of service credit. However, the 8 percent fee will continue to be compounded annually

on any eligible service that is not purchased. You must then submit all required amounts in order to establish the service credit.

The purchase of this service credit is subject to the federal tax code restriction on the amount of money that may be voluntarily paid to TRS during a plan year. TRS encourages members to review “Restrictions on Service Credit Purchase” later in this brochure and carefully plan your purchases.

## Uniformed Services Employment & Re-employment Rights Act (USERRA) Service Credit

The federal law known as “USERRA” establishes certain rights if you leave TRS-covered employment for active military duty and you are subsequently re-employed, or apply for re-employment, with the same TRS-covered employer. You may be entitled to establish USERRA service credit for the active military duty by purchasing the service credit, or you may be entitled to use the USERRA service for TRS benefit eligibility, even if you do not purchase TRS credit for that service. You should contact TRS immediately upon application for, or re-employment in, a TRS-covered position.

**Eligibility:** If you leave TRS-covered employment for voluntary or involuntary active military duty in the uniformed services and subsequently return to, or apply for, re-employment with the same TRS-covered employer, you may be eligible to establish TRS service credit and/or compensation credit for the period of duty under USERRA. You must separate from uniformed service under honorable conditions or otherwise as provided by USERRA, and you must return to, or apply for, re-employment

with the same TRS-covered employer within 90 days of discharge or release from active military service. TRS will use the provisions of USERRA to determine eligibility of members who apply for or return to re-employment later than 90 days due to illness or injury incurred in, or aggravated during, uniformed service. A person establishing USERRA service credit may not establish any other military service credit with TRS for the same period of active military duty.

If your employment is interrupted by military duty in a school year in which you already have received a year of TRS membership service credit, but you expected that year to be one of the highest compensation years for calculation of TRS retirement benefits, you should contact TRS about establishing compensation credit under USERRA. Such credit reflects the compensation that would have been received if you had continued to be employed by a TRS-covered employer for the remainder of the school year.

If you meet the USERRA requirements, you should contact TRS promptly, regardless of employment, membership, or retirement status, to determine eligibility to establish TRS service credit.

**Cost:** The cost of the USERRA service or compensation credit is an amount equal to the member contributions you would have made if you had continued to be employed in the former TRS-covered position during the entire period of active duty. If you are eligible to purchase more than one year of USERRA service credit, the credit may be purchased one year at a time by submitting a lump sum equal to the cost to purchase at least one year of

service and/or compensation credit as long as all USERRA service credit you wish to establish is purchased within the time period applicable under federal law (generally, five years from the date of re-employment or application for re-employment).

**When to purchase:** If you have eligible USERRA service, you should contact TRS immediately upon re-employment, or application for re-employment, with the same TRS-covered employer after your military service. USERRA service credit must be purchased within the time period specified in federal law, as discussed immediately above. If military service is not purchased as USERRA service credit within the specified time period, it still may be eligible to be purchased as military service credit, but the cost of military service credit is subject to the additional 8 percent fee on the required deposits, compounded annually and increases over time.

**What to do:** If you may be eligible to purchase credit under USERRA, contact TRS immediately upon application for re-employment with your TRS-covered employer and provide TRS a copy of the military service record (for example, a DD 214). You must also furnish any salary or employment records that may be required by TRS.

USERRA service credit may be established one year at a time and each year is credited upon receipt of sufficient deposits to purchase a full year of service credit.

**Special note:** Some military service may qualify for either TRS military service credit or TRS USERRA service credit. In some instances, the cost of the service credit may be less under



USERRA, if the military service qualifies. However, under USERRA, there is a time deadline for purchase of the service credit. Regular military service credit does not have this restriction. Contact TRS for more information to determine which options are available if you have military service.

**USERRA Service not purchased:** If you have USERRA qualifying service but choose not to purchase TRS service credit, you may be eligible to use your USERRA service to determine eligibility for benefits, including service or disability retirement, TRS-Care health benefits including premium level, and active member death benefits. If you have USERRA-eligible service that you have not purchased, you must notify TRS in writing if you wish to have the service considered in determining your eligibility for these benefits. If you are retiring, you must notify TRS in writing before the later of your effective date of retirement or the date you file your retirement application. In the event of your death while an active member, your beneficiary must notify TRS in writing before any death benefits are paid.

## State Sick and/or Personal Leave Service Credit

If, on your last day of employment before retirement, you have credit for 50 days or more, or 400 hours or more, of unused accumulated state sick and/or personal leave, you may be eligible to purchase one year of service credit.

**Eligibility:** At the time of retirement, you are eligible to purchase a maximum of one year of service credit if you have at least 10 years of TRS service credit for actual service with one or more Texas public education employers,

you retire from such an employer, and you have 50 or more days or 400 or more hours of accumulated state sick and/or personal leave that is unused as of the last day of employment before retirement. Only five days of state sick and/or personal leave may be accrued each year toward the 50-day or 400-hour total. State sick and/or personal leave service credit may be used only for calculating benefits but cannot be purchased in order to determine eligibility for retirement.

If you elected to participate in the Deferred Retirement Option Plan (DROP), you may not purchase this service credit based on days or hours accumulated at the time DROP participation began or during DROP participation. Eligible leave accumulated after DROP participation ends and before retirement may be used to establish eligibility to purchase the service credit. Eligible leave accrued after DROP participation is subject to the five-day-per-year limit. This means that you would have to work post-DROP employment for at least 10 years in order to accumulate the leave at no more than five unused days per year.

**Cost:** The cost of the service credit is the actuarial present value, at the time of deposit, of the increased standard annuity retirement benefits that are attributable to the additional year of service credit. TRS calculates this cost based on the State Personal or Sick Leave Conversion Factor Tables adopted by the board of trustees. The conversion factor depends on age at retirement and is multiplied by the increase in the monthly standard annuity resulting from the additional year of service credit. A calculator is available on the TRS website located at [www.trs.texas.gov](http://www.trs.texas.gov) for your use in estimating



the cost of this service credit. If local policy allows, the employer from which you retire may reimburse you for all or part of the cost of purchasing state sick and/or personal leave service credit.

**When to purchase:** You may purchase this service credit only at the time of retirement.

**What to do:** You can use the State Sick/Personal Leave Calculator on the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)) to estimate your cost for this service credit. If you are retiring and are eligible to purchase the credit, you should obtain a “Certification of Unused State Sick and/or Personal Leave” form (TRS 587) from the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)), have your employer complete it, and submit it to TRS. TRS will then provide a cost statement to you showing the cost of the service credit. To purchase the service credit at the time of retirement, you must deposit the cost of the service credit with TRS no later than two months after the effective date of your retirement and before you begin receiving benefits. The purchase of this service credit is subject to the federal tax code restriction on the amount of money that may be voluntarily paid to TRS during a plan year. If you are interested in purchasing this type of service credit, you should consider making the purchase with pre-tax funds rolled over from another eligible retirement plan or transferred from a governmental 403(b) plan or a governmental 457(b) deferred compensation plan, or completing the purchase of other types of service credit in the years prior to retirement. Doing so will allow you to reserve the maximum amount allowed by law for voluntary contributions to purchase this type of service credit at the time of retirement. TRS encourag-

es members to review “Restrictions on Service Credit Purchase” later in this brochure and carefully plan your service credit purchases.

## Work Experience by a Career or Technology Teacher Service Credit

If you are entitled to salary step credit on the state salary schedule under Section 21.403(b) of the Texas Education Code, you may be eligible to establish TRS service credit for the work experience that entitles you to salary-step credit as a teacher. You may purchase a maximum of two years of work experience service credit.

**Eligibility:** An eligible member may establish service credit for one or two years of work experience, if the teacher is entitled to salary-step credit for that work experience under Section 21.403(b) of the Texas Education Code. This provision provides that for each year of work experience required for certification in a career or technological field, up to two years, a certified career or technology education teacher is entitled to salary-step credit as if the work experience were teaching experience. Additionally, you must have at least five years of TRS membership service credit for actual service with a TRS-covered employer in order to be eligible to purchase this service credit.

**Cost:** The cost of this service credit is the actuarial present value, at the time of deposit, of the additional standard annuity retirement benefits that are attributable to the additional year(s) of service credit, based on actuarial tables adopted by the board of trustees.

★ Effective Sept. 1, 2015, the actuarial cost is based on: (i) your age and years of TRS service credit on Sept. 1 of the school year in which

the cost is established; (ii) the annual salary for your last year of credited service or the average of your highest years of compensation calculated on Sept. 1 of the school year in which the cost of the service credit is established, depending on your retirement eligibility; and (iii) the cost factor based on your tier placement. The actuarial cost factors assume a lump-sum deposit; if deposits are made through installment payments, the cost will be adjusted to reflect the installment payment administrative fee.

**When to purchase:** Because the actuarial cost increases over time, it is most cost effective to purchase this service credit as soon as possible.

**What to do:** You may use the chart on the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)) to estimate the cost of this service credit. If interested in purchasing the credit, you must have your employer complete a “Certificate of Work Experience by Career or Technology Teacher” form (TRS 582), which is available on the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)). TRS will confirm your eligibility for the service credit and send you a cost statement after the completed form is returned to TRS. You must then submit all required amounts in order to establish the service credit.

Work experience service credit may be established one year at a time and each year is credited upon receipt of sufficient deposits to purchase a full year of service credit.

The purchase of this service credit is subject to the federal tax code restriction on the amount of money that may be voluntarily paid to TRS during a plan year. TRS encourages

members to review “Restrictions on Service Credit Purchase” later in this brochure and carefully plan your service credit purchases.

## Membership Waiting Period Service Credit

A person was subject to a 90-day waiting period for TRS membership if the person:

- began work for a TRS-covered employer on or after Sept. 1, 2003, but before Sept. 1, 2005, and
- was not already a TRS member at the time that employment began.

**Eligibility:** If, due to the waiting period, you did not work a sufficient length of time as a TRS member in a school year to earn a year of membership service credit, you may be eligible to purchase waiting period service credit. To do so, you must have sufficient waiting period service and TRS-covered service combined during the school year to meet the length of service requirements for a year of TRS membership service credit.

The purchase of service credit for the year in which the waiting period occurred does not establish an earlier TRS membership start date.

**Cost:** The cost of this service credit is the actuarial present value, at the time of deposit, of the additional standard annuity retirement benefits that are attributable to the additional year of service credit.

★ Effective Sept. 1, 2015, the actuarial cost is based on: (i) your age and years of TRS service credit on Sept. 1 of the school year in which the cost is established; (ii) the annual salary for your last year of credited service or the average of your highest years of compensation calcu-

lated on Sept. 1 of the school year in which the cost of the service credit is established, depending on your retirement eligibility; and (iii) the cost factor based on your tier placement. The actuarial cost factors assume a lump-sum deposit; if deposits are made through installment payments, the cost will be adjusted to reflect the installment payment administrative fee.

**When to purchase:** Because the actuarial cost increases over time, it is most cost effective to purchase this service credit as soon as possible.

**What to do:** Contact TRS by telephone or mail to request a cost statement for this service credit. No form is required to verify the waiting period; however, TRS may, in some cases, request that additional information regarding your employment dates be provided by your employer. You must then submit all required amounts in order to establish the service credit.

The purchase of this service credit is subject to the federal tax code restriction on the amount of money that may be voluntarily paid to TRS during a plan year. TRS encourages members to review “Restrictions on Service Credit Purchase” later in this brochure and carefully plan your service credit purchases.

## Methods of Payment

The three basic methods of making payment for TRS service credit purchases are:

- a lump sum using after-tax dollars (such as from a savings or checking account),
- ★ • installment payments using after-tax dollars (not available for state sick and/or personal leave service credit or

USERRA service credit), or

- a rollover using pre-tax dollars from another eligible retirement plan or a direct trustee-to-trustee transfer using pre-tax dollars from a governmental 403(b) plan or a governmental 457(b) deferred compensation plan.

Service credit costs must be paid in full by the time of retirement. Different types of service credit (for example, military and out-of-state) may be purchased at the same time. Once service credit has been established, contributions are not refundable unless you terminate TRS membership and withdraw all accumulated contributions. All fees, including installment fees, are nonrefundable.

## Installment Payments

A monthly installment payment plan or a plan combining an initial lump-sum payment plus monthly installments is available for all kinds of service credit purchases except state sick and/or personal leave service credit and ★ USERRA service credit. If you choose to use an installment plan, you are subject to any deadlines otherwise applicable for purchasing the service credit.

Military, USERRA, work experience, developmental leave, unreported, and out-of-state service credit may be purchased and credited one year at a time. **All** withdrawn service credit must be paid in full before any credit is given.

Payments may be made over a period equal to the number of years of service credit to be purchased, but not to exceed 60 months. For example, the installment payment period for the purchase of four years of service credit may not exceed 48 months. A service credit pur-

chase of greater than five years must be paid within the maximum 60-month period.

The minimum monthly payment amount is \$25. Total payment on the installment plan is the cost of the service credit plus a 9 percent annual administrative fee calculated on the daily declining balance.

Monthly installment payments may be made in three ways: by an automatic payment deducted from your financial institution account, by payroll deduction if provided by your employer, or with a personal check or money order accompanied by a TRS payment coupon. Postdated checks will not be accepted. **TRS encourages automatic payment from your financial institution account since it is easy, reliable and economical.**

You may end installment payments at any time and receive a refund of payments on years of service not yet credited by submitting a signed request. However, no refund will be made on years already credited or on the installment payment administrative fees. Refunds from the installment plan require approximately 30 days after TRS receives all necessary documentation. If installment payments become delinquent for 60 days or more, TRS may cancel the installment agreement and refund the payments for any partial year of service credit, less the applicable fees. If either TRS or you initiate a refund, you will not be permitted to use the installment plan again for the purchase of the same service credit for three years from the date of the refund.

If a member dies before completing payments, the beneficiary may receive a refund of the member's payments for any partial year of

service, less the applicable installment payment administrative fees, or may make a lump-sum payment of the unpaid balance to establish credit for the service, subject to any applicable restrictions. A beneficiary may not continue the installment plan. Payment by a beneficiary must be made within 12 months after the date of death of the member.

## Rollovers and Transfers from Other Plans

TRS may accept an eligible rollover distribution from another eligible retirement plan, or a direct trustee-to-trustee transfer from a governmental 403(b) plan or a governmental 457(b) deferred compensation plan, in payment of all or a portion of the cost to purchase service credit. Rollovers generally may be accepted from the following kinds of retirement plans in which the member has participated:

- a traditional Individual Retirement Account (IRA)
- a Simplified Employee Pension (SEP) IRA
- a qualified 401(a) plan
- a 401(k) plan
- a qualified 403(a) annuity plan,
- a 403(b) tax-sheltered annuity or account (TSA), or
- a governmental 457(b) plan

TRS may **not** accept a rollover from a SIMPLE IRA plan ("Savings Incentive Match Plans for Employees"), a Roth IRA, or a Coverdell Education Savings Account (formerly called education IRAs).

A rollover generally requires a distributable event, such as termination of employment, unless it is from an IRA, which does not require a distributable event. Each distributing plan



determines when a rollover may be made; TRS cannot make this determination for you. A direct trustee-to-trustee transfer generally does not require a distributable event and thus may be available if a member is still employed.

However, federal law allows TRS to accept a direct trustee-to-trustee transfer only from a governmental 403(b) or governmental 457(b) deferred compensation plan. If you are interested in paying for service credit through a rollover or direct trustee-to-trustee transfer, contact the plan from which the funds are to be withdrawn to determine that plan's requirements. When you have confirmed with the other plan that your funds are eligible for a rollover or direct trustee-to-trustee transfer, you should visit the TRS website, which is located at [www.trs.texas.gov](http://www.trs.texas.gov) to review the "Information on Rollover or Transfer of Funds to TRS" form (TRS 611) and also review the information on your "Rollover or Transfer of Funds to TRS" form (TRS 551C), which is printed on the back of the TRS-issued cost statements for service credit to be purchased. If you wish to use a rollover or direct trustee-to-trustee transfer of funds, request an "Eligible Rollover or Direct Trustee-to-Trustee Transfer to Purchase TRS Service Credit" form (TRS 551). Form TRS 551 can be obtained by calling or writing TRS.

## Restrictions on Service Credit Purchase

Federal tax law limits the amount of voluntary annual contributions a person may make to tax-deferred retirement plans, including TRS. Under the Internal Revenue Code, voluntary member payments to TRS in a plan year (Sept. 1

★ through Aug. 31) for purchasing service credit are limited to \$53,000 for the 2015-16 plan year.

The contribution limit is subject to annual adjustment by the U.S. Secretary of Treasury in future plan years. When changes are made, the limit is posted on the TRS website.

For some types of purchased service credit, the limit does not apply. For example, the annual contribution limit does not apply to payments for reinstating withdrawn service and USERRA service credit. Also, some types of payments do not count toward the limit. For instance, payments made through a rollover or a direct trustee-to-trustee transfer of pre-tax funds also are not subject to, or counted toward, the limit. For this reason, it is important to complete the purchase of other types of service credit prior to your final year of employment if you plan to purchase state sick and/or personal leave service credit. This will leave the maximum amount of the limit available to purchase the state sick and/or personal leave service credit in your final year.

The contribution limit is applied each plan year (Sept. 1 through Aug. 31) and does not increase based upon the number of types of service credit you may be eligible to purchase. The contribution limit is especially important if you are considering purchase of state sick and/or personal leave credit; the actuarial cost of this credit may exceed the annual limit and, because this service credit may be purchased only at the time of retirement, you will not be able to spread out the purchase over a number of years to stay within the annual contribution limit.

TRS will inform a member at the time of



billing whether a contribution limit is applicable. TRS will also review each payment made for the purchase of service credit to determine whether the payment exceeds the contribution limit for the plan year in which the payment is made.

TRS encourages members to plan early for service credit purchases. For example, using an installment payment plan that spreads out the payments over a number of years of employment may help you stay within the annual contribution limits that may apply to your purchases.

These restrictions also apply to a beneficiary who may wish to complete payments for service credit after the death of a member. Payments by a beneficiary are subject to the contribution limits in the plan year of the member's death.

Other provisions of federal tax law may affect your purchase of service credit. TRS provides more detailed information about these restrictions, if applicable, when you request calculation of a cost statement for service credit.

## Additional Information

### TRS/ERS Transfer

Eligible members of TRS may transfer service credited under the Employees Retirement System of Texas (ERS) to TRS in order to retire under TRS. Likewise, eligible members of ERS may transfer their service credited in TRS to ERS in order to retire under ERS. Members who have already retired under either system are not eligible to transfer service credit, although

a TRS member who has previously retired under ERS may be able to use ERS service credit to establish TRS retirement eligibility under the Proportionate Retirement Program. For more information, please refer to the *TRS/ERS Transfer* brochure, available on the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)).

## Proportionate Retirement Program

If you have service in more than one Texas public retirement system, you should ask each retirement system about your eligibility for benefits under the Proportionate Retirement Program. This is especially important before terminating participation in any of the retirement systems. This program allows you to use service credit earned in any of the Texas public retirement systems participating in the program to establish eligibility for retirement benefits in any participating retirement system in which you participate, but not the amount of the retirement benefits. For more information, please refer to the *TRS Benefits Handbook*, available on the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)), or contact each Texas public retirement system under which you performed service.

## TRS-Care

TRS members who are not eligible for retiree health benefits offered through the Employees Retirement System of Texas (ERS) or through a higher education institution may be eligible for TRS-Care retiree health benefits upon retirement. Service retiree eligibility for TRS-Care is based on meeting two eligibility components. **First**, you must have a minimum of 10 years of membership service credit for actual service in the Texas public schools. If purchased before

retirement, withdrawn, unreported, substitute, and up to five years of military or USERRA service can be counted toward the 10 year minimum. **Second**, in addition to the required minimum 10 years of membership service credit, you must also meet the “rule of 80” (age plus service credit total at least 80) or have 30 years of service to be eligible to enroll in TRS-Care. **All** purchased service credit can be used toward this second component of TRS-Care eligibility. If you are approved for disability retirement and you have 10 or more years of service credit in TRS on the date of disability retirement, you are eligible for TRS-Care throughout the duration of your TRS disability retirement as long as applicable premiums are paid. TRS-Care coverage for disability retirees with less than 10 years of service credit in TRS on the date of disability retirement may continue until the disability retirement benefit ends as long as all applicable premiums are paid timely. For more information, please refer to the *TRS-Care Benefits Booklets* and the *TRS-Care Enrollment Guides* or the *TRS Benefits Handbook*. These publications are available on the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)).

## Deferred Retirement Option Plan (DROP)

Effective Dec. 31, 2005, DROP was closed to new participants. If you elected to participate in DROP by Dec. 31, 2005, you were required to complete the purchase of all service credit before the effective date of your participation in DROP. Service credit may not be purchased during DROP participation. If you elected to participate in DROP, you are disqualified from purchasing state sick and/or personal leave service credit for leave accrued as of the date

of DROP participation or for leave accumulated during DROP participation. However, if you complete the period of DROP participation and continue or return to employment with a TRS-covered employer without having retired, you may then purchase any service credit for which you are eligible and for which the requirements have been met entirely after your DROP participation. Service credit purchased after the expiration of DROP participation will be used in the calculation of your post-DROP retirement annuity. Service credit purchased after the period of active DROP participation will have no effect on the balance in your DROP account.

## Obtaining More Information

The TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)) has additional information that can help you estimate the cost of some of the service credit purchases mentioned in this brochure. Service credit purchase costs estimated through the TRS website ([www.trs.texas.gov](http://www.trs.texas.gov)) are not binding on TRS and are subject to verification when TRS prepares a cost statement. Members interested in establishing service credit should contact TRS. Information in this publication is summarized only. If any information is inconsistent with laws and rules in effect at the time of purchase or use of the service credit, then the applicable laws and rules control.

### **For more information, contact:**

Teacher Retirement System of Texas  
1000 Red River Street Austin, Texas 78701-2698  
(512) 542-6400 or 1-800-223-8778  
TRS Website: [www.trs.texas.gov](http://www.trs.texas.gov)

## NOTES



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